

City of McLouth

Financial Statement

For the year ended December 31, 2019

ATC Accounting

City of McLouth, Kansas
 Financial Statement
 December 31, 2019

TABLE OF CONTENTS

		Page Number
	Independent Auditor’s Report	1
FINANCIAL SECTION		
Statement 1	Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
	Notes to Financial Statement	4
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION		
Schedule 1	Summary of Expenditures – Actual and Budget	11
Schedule 2	Schedule of Receipts and Expenditures – Actual and Budget	
	2-1 General	12
	Special Purpose Funds	
	2-2 Law Enforcement	14
	2-3 Fire Equipment	15
	2-4 Library	16
	2-5 Special Highway	17
	Bond and Interest	
	2-6 Bond and Interest	18
	Capital Project Funds	
	2-7 Capital Improvement	19
	2-7 Equipment Reserve	19
	Business Funds	
	2-8 Water Utility	20
	2-9 Sewer Utility	21
	2-10 Gas Utility	22
	Agency Funds	
	2-11 Utility Deposits	23

INDEPENDENT AUDITOR'S REPORT
Component Units Are Omitted-Separate Entity Financial Statements Have Been Issued

Honorable Mayor and City Council
City of McLouth
McLouth, Kansas 66054

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of McLouth, Kansas, as of and for the year ended December 31, 2019 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of McLouth, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of McLouth, Kansas as of December 31, 2019, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of McLouth, Kansas as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2019 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2019 basic financial statement, however are required to be presented under the provision of the Kansas Municipal audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2019 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2018 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2018 basic financial statement upon which we rendered as unqualified opinion dated July 21, 2019. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.

ATC Accounting

ATC Accounting

June 19, 2020

City of McLouth, Kansas
 Summary Statement of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended December 31, 2019

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL	\$ 197,902	\$ 463,330	\$ 395,401	\$ 265,831	\$ 5,414	\$ 271,245
SPECIAL PURPOSE FUNDS:						
Law Enforcement	24,568	12,428	7,141	29,855	-	29,855
Fire Equipment	21,893	10,874	6,147	26,620	-	26,620
Library	289	22,965	22,620	634	-	634
Special Highway	37,712	23,171	5,452	55,431	-	55,431
BOND AND INTEREST FUND:						
Bond and Interest	11,475	9	11,163	321	-	321
CAPITAL PROJECT FUNDS:						
Capital Improvement	229,594	25,000	56,243	198,351	-	198,351
Equipment Reserve	85,924	5,000	17,000	73,924	-	73,924
BUSINESS FUNDS:						
Water Utility	84,626	247,223	241,737	90,112	23,598	113,710
Sewer Utility	119,630	179,704	172,740	126,594	1,293	127,887
Gas Utility	72,767	252,084	227,625	97,226	3,004	100,230
AGENCY FUNDS:						
Utility Deposits	50,336	11,100	11,100	50,336	-	50,336
Total Reporting Entity	<u>\$ 936,716</u>	<u>\$ 1,252,888</u>	<u>\$ 1,174,369</u>	<u>\$ 1,015,235</u>	<u>\$ 33,309</u>	<u>\$ 1,048,544</u>

Checking Accounts	\$ 540,848
Money Market and Savings Accounts	259,546
Certificate of Deposits	<u>248,150</u>
Total Reporting Entity	<u>\$ 1,048,544</u>

The notes to the financial statement are an integral part of this statement

City of McLouth, Kansas
Notes to the Financial Statements
December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of McLouth is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of McLouth (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 1st
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year 2019.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any non-compliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements;

and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$1,048,544 and the bank balance was \$1,057,940. The bank balance was held by 1 bank resulting in a concentration of credit risk. Of the bank balance \$250,000 was covered by federal depository insurance and the remaining \$807,940 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

Changes in long-term liabilities for the City of McLouth, Kansas for the year ended December 31, 2019 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
KDHE Loans:									
Water Improvements	4.31%	11/18/1997	1,132,133	02/1/2019	\$ 35,417	\$ -	\$ 35,417	\$ -	\$ 763
Sewer Improvements	3.57%	04/05/2000	1,702,238	09/1/2021	297,690	-	95,740	201,950	9,781
Total Contractual Indebtedness					\$ 333,107	\$ -	\$ 131,157	\$ 201,950	\$ 10,544

Current maturities of long-term debt and interest through maturity are as follows:

	2020	2021	2022	2023	2024	Total
Principal						
KDHE Loan – Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KDHE Loan – Sewer	99,189	102,761	-	-	-	201,950
Total Principal	99,189	102,761	-	-	-	201,950
Interest:						
KDHE Loan – Water	-	-	-	-	-	-
KDHE Loan – Sewer	6,332	2,759	-	-	-	9,091
Total Interest	6,332	2,759	-	-	-	9,091
Total Principal and Interest	\$ 105,521	\$ 105,520	\$ -	\$ -	\$ -	\$ 211,041

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERs member-employee contribution rates. KPERs has multiple benefit structures and contribution rates depend on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and Tier 3 members were first employed in a covered position on or after January 1, 2015. Kansas law establishes the KPERs member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. On January 1, 2015, Kansas law increased the KPERs member-employee contribution rate to 6% of covered salary for Tier 1 members. On that date, the Tier 2 member-employee contribution rate remained at 6% of covered salary, and the Tier 3 member contribution rate was established at 6% of covered salary. Member contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for Tier 1 and Tier 2 be determined annually based on the results of an annual actuarial valuation. Tier 3 Employer credits are established by statute and are based on the member employee's years of service. Tier 1 and Tier 2 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89%, for the fiscal year ended December 31, 2019. Contributions to the pension plan from the city were \$20,155 for the year ended December 31, 2019

Net Pension Liability. At December 31, 2019, the city's proportionate share of the collective net pension liability reported by KPERs was \$173,693. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The city's proportion of the net pension liability was based on the ration of the city's contributions to KPERs, relative to the total employer and non-employer contributions of the local subgroup within KPERs. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERs collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Other Employee Benefits

Vacation – A full-time employee may accrue vacation of 6.67 hours per month with 0 to 5 years of service, 8 hours per month with 6 to10 years of service, 10 hours per month with 11 to 15 years of service and 12 hours per month with more than 15 years of service. The maximum amount of vacation available is three weeks per year. Vacation is vested and terminating employees will be paid for vacation not taken. Effective December 2019 employees were allowed to be paid for any vacation in excess of the maximum accrued vacation carryover hours of 40. The cost of accumulated vacation leave will be recorded as an expenditure at the time the vacation is utilized, as normal personal service expenditure or upon payment to the employee.

The cost of accumulated vacation leave is \$3,789 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave - Full-time employees may accrue sick leave at the rate of 1 day per month with a maximum accumulation of 720 days. Upon termination or resignation, no payment for unused sick leave will be made. The cost of accumulated sick pay has not been estimated or accrued by the City as of December 31, 2019 since no liability to pay upon termination.

7. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2018 to 2019 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City’s management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1,118	20,000
Gas Utility	Capital Improvements	K.S.A. 12-1,118	5,000
Gas Utility	Equipment Reserve	K.S.A. 12-1,118	5,000

9. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

CITY OF MCLOUTH, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019

City of McLouth, Kansas
 Summary of Expenditures – Actual and Budget
 Regulatory Basis
 (Budgeted Funds Only)
 For the Year Ended December 31, 2019

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 570,011	\$ -	\$ 570,011	\$ 395,401	\$ (174,610)
SPECIAL PURPOSE FUNDS:					
Law Enforcement	50,590	-	50,590	7,141	(43,449)
Fire Equipment	33,471	-	33,471	6,147	(27,324)
Library	22,620	-	22,620	22,620	-
Special Highway	60,454	-	60,454	5,452	(55,002)
BOND AND INTEREST FUND:					
Bond and Interest	11,163	-	11,163	11,163	-
BUSINESS FUNDS:					
Water Utility	385,295	-	385,295	241,737	(143,558)
Sewer Utility	283,834	-	283,834	172,740	(111,094)
Gas Utility	392,037	-	392,037	227,625	(164,412)

City of McLouth, Kansas
 General Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018		2019		Variance Over (Under)
	Actual	Actual	Budget		
Receipts:					
Ad Valorem Property	\$ 215,944	\$ 217,785	\$ 222,838	\$ (5,053)	
Delinquent	14,811	9,602	13,147	(3,545)	
Motor Vehicle	29,287	30,547	28,505	2,042	
Recreational Vehicle	345	375	446	(71)	
16/20M Truck	398	358	398	(40)	
Commercial Vehicle Tax	199	284	246	38	
Watercraft Tax	199	142	192	(50)	
Franchise Fees	44,343	40,267	45,000	(4,733)	
Sanitation	58,061	57,314	70,000	(12,686)	
Sales Tax	47,194	49,133	55,000	(5,867)	
Licenses, Fees and Permits	7,540	1,730	3,000	(1,270)	
Municipal Court	32,485	30,520	25,000	5,520	
Interest on Idle Funds	1,493	1,533	2,000	(467)	
Reimbursements	-	7,558	-	7,558	
Miscellaneous	10,579	5,019	1,000	4,019	
Transfer from Bond & Interest	-	11,163	-	11,163	
Total Receipts	462,878	463,330	\$ 466,772	\$ (3,442)	

City of McLouth, Kansas
 General Fund (Continued)
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
	Actual	Actual	Budget	
Expenditures:				
Salaries and Wages	66,740	58,583	\$ 67,000	\$ (8,417)
Employee Benefits	16,251	16,275	18,700	(2,425)
Police Salaries and Wages	100,197	73,692	110,500	(36,808)
Police Employee Benefits	30,265	22,843	33,500	(10,657)
General Government	32,303	29,774	49,100	(19,326)
Legal/Contract/Administration	25,175	13,885	20,000	(6,115)
Sanitation	58,017	62,188	55,000	7,188
Streets	33,546	39,659	46,650	(6,991)
Police Operations and Maintenance	19,083	18,686	33,900	(15,214)
Fire Operations and Maintenance	4,820	4,288	11,550	(7,262)
Court	22,091	19,383	28,700	(9,317)
Insurance	15,527	12,755	5,700	7,055
Training, Testing and Fees	701	278	500	(222)
Miscellaneous	1,229	1,267	-	1,267
Capital Outlay	1,000	1,845	79,211	(77,366)
Transfers	20,000	20,000	10,000	10,000
Total Expenditures	446,945	395,401	\$ 570,011	\$ (174,610)
Receipts Over (Under) Expenditures	15,933	67,929		
Unencumbered Cash, January 1	181,969	197,902		
Unencumbered Cash, December 31	\$ 197,902	\$ 265,831		

City of McLouth, Kansas
 Law Enforcement Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
	Actual	Actual	Budget	
Receipts:				
Ad Valorem Property	\$ 8,942	\$ 9,153	\$ 9,364	\$ (211)
Delinquent	637	404	552	(148)
Motor Vehicle	1,259	1,272	1,180	92
Recreational Vehicle	15	16	19	(3)
16/20M Truck	18	15	16	(1)
Commercial Truck Tax	8	12	10	2
Watercraft Tax	9	6	-	6
Miscellaneous	1,243	1,550	-	1,550
Total Receipts	12,131	12,428	\$ 11,141	\$ 1,287
Expenditures:				
Commodities	165	701	\$ 2,500	\$ (1,799)
Capital Outlay	19,027	6,440	48,090	(41,650)
Total Expenditures	19,192	7,141	\$ 50,590	\$ (43,449)
Receipts Over (Under) Expenditures	(7,061)	5,287		
Unencumbered Cash, January 1	31,629	24,568		
Unencumbered Cash, December 31	\$ 24,568	\$ 29,855		

City of McLouth, Kansas
 Fire Equipment Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ 8,942	\$ 9,149	\$ 9,363	\$ (214)
Delinquent	642	404	552	(148)
Motor Vehicle	1,259	1,272	1,180	92
Recreational Vehicle	15	16	19	(3)
16/20M Truck	18	15	16	(1)
Commercial Truck Tax	9	12	10	2
Watercraft Tax	9	6	8	(2)
Total Receipts	10,894	10,874	\$ 11,148	\$ (274)
Expenditures:				
Public Safety	1,919	-	\$ 1,500	\$ (1,500)
Capital Outlay	580	6,147	31,971	(25,824)
Total Expenditures	2,499	6,147	\$ 33,471	\$ (27,324)
Receipts Over (Under) Expenditures				
Unencumbered Cash, January 1	8,395	4,727		
	13,498	21,893		
Unencumbered Cash, December 31	\$ 21,893	\$ 26,620		

City of McLouth, Kansas
 Library Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
	Actual	Actual	Budget	
Receipts:				
Ad Valorem Property	\$ 19,311	\$ 19,241	\$ 19,689	\$ (448)
Delinquent	1,379	871	1,162	(291)
Motor Vehicle	2,721	2,747	2,549	198
Recreational Vehicle	32	34	40	(6)
16/20M Truck	38	33	36	(3)
Commercial Truck Tax	18	25	22	3
Watercraft Tax	20	14	16	(2)
Total Receipts	23,519	22,965	\$ 23,514	\$ (549)
Expenditures:				
Recreation and Culture	23,230	22,620	\$ 22,620	\$ -
Receipts Over (Under) Expenditures	289	345		
Unencumbered Cash, January 1	-	289		
Unencumbered Cash, December 31	\$ 289	\$ 634		

City of McLouth, Kansas
 Special Highway Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Special Highway Tax	\$ 23,060	\$ 23,171	\$ 22,960	\$ 211
Miscellaneous	-	-	-	-
Total Receipts	23,060	23,171	\$ 22,960	\$ 211
Expenditures:				
Street Repair and Maintenance	6,962	5,452	\$ 60,454	\$ (55,002)
<hr/>				
Receipts Over (Under) Expenditures	16,098	17,719		
Unencumbered Cash, January 1	21,614	37,712		
<hr/>				
Unencumbered Cash, December 31	\$ 37,712	\$ 55,431		

City of McLouth, Kansas
 Bond and Interest Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		
		Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ -	\$ -	\$ -	\$ -
Delinquent	312	9	-	9
Motor Vehicle	-	-	-	-
Recreational Vehicle	-	-	-	-
16/20M Truck	-	-	-	-
Commercial Truck Tax	-	-	-	-
Watercraft Tax	-	-	-	-
Total Receipts	312	9	\$ -	\$ 9
Expenditures:				
Debt Service	-	-	\$ 11,163	\$ (11,163)
Transfer to General	-	11,163	-	11,163
Total Expenditures	-	11,163	\$ 11,163	\$ -
Receipts Over (Under) Expenditures				
	312	(11,154)		
Unencumbered Cash, January 1	11,163	11,475		
Unencumbered Cash, December 31	\$ 11,475	\$ 321		

City of McLouth, Kansas
 Non-Budgeted Funds
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended December 31, 2019

	Capital Improvement	Equipment Reserve
Receipts:		
Transfer – General	\$ 20,000	\$ -
Transfer – Water	-	-
Transfer - Sewer	-	-
Transfer - Gas	5,000	5,000
	<hr/>	<hr/>
Total Receipts	25,000	5,000
	<hr/>	<hr/>
Expenditures:		
Capital Outlay	56,243	17,000
	<hr/>	<hr/>
Total Expenditures	56,243	17,000
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(31,243)	(12,000)
Unencumbered Cash, January 1	229,594	85,924
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 198,351	\$ 73,924
	<hr/>	<hr/>

City of McLouth, Kansas
 Water Utility Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
		Actual	Budget	
Receipts:				
Charges for Services	\$ 264,590	\$ 246,594	\$ 260,000	\$ (13,406)
Interest on Idle Funds	502	629	500	129
Miscellaneous	2,970	-	-	-
Total Receipts	268,062	247,223	\$ 260,500	\$ (13,277)
Expenditures:				
Salaries and Wages	42,402	43,237	\$ 47,000	\$ (3,763)
Employee Benefits	12,608	13,567	16,050	(2,483)
Debt Service	108,540	-	36,200	(36,200)
Training, Testing and Fees	2,455	2,064	-	2,064
Operations and Maintenance	44,980	40,598	83,552	(42,954)
Insurance	6,402	6,441	5,800	641
Legal and Contract Services	63,689	28,694	20,000	8,694
Water Purchase	59,740	55,318	49,200	6,118
Capital Outlay	20,802	51,818	107,493	(55,675)
Transfer – Capital Improvements	-	-	20,000	(20,000)
Total Expenditures	361,618	241,737	\$ 385,295	\$ (143,558)
Receipts Over (Under) Expenditures	(93,556)	5,486		
Unencumbered Cash, January 1	178,182	84,626		
Unencumbered Cash, December 31	\$ 84,626	\$ 90,112		

City of McLouth, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
		Actual	Budget	
Receipts:				
Charges for Services	\$ 182,787	\$ 178,666	\$ 190,000	\$ (11,334)
Interest on Idle Funds	964	1,038	1,000	38
Miscellaneous	625	-	-	-
Total Receipts	184,376	179,704	\$ 191,000	\$ (11,296)
Expenditures:				
Salaries and Wages	22,534	21,063	\$ 49,000	\$ (27,937)
Employee Benefits	9,578	9,898	15,750	(5,852)
Training, Testing and Fees	1,630	1,176	-	1,176
Operations and Maintenance	41,989	26,850	51,800	(24,950)
Insurance	6,402	6,441	5,800	641
Legal and Contract Services	1,526	1,291	11,000	(9,709)
Capital Outlay	-	-	24,884	(24,884)
Miscellaneous	500	500	-	500
Debt Service	105,521	105,521	105,600	(79)
Transfer – Capital Improvements	-	-	20,000	(20,000)
Total Expenditures	189,680	172,740	\$ 283,834	\$ (111,094)
Receipts Over (Under) Expenditures	(5,304)	6,964		
Unencumbered Cash, January 1	124,934	119,630		
Unencumbered Cash, December 31	\$ 119,630	\$ 126,594		

City of McLouth, Kansas
 Gas Utility Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019		Variance Over (Under)
	Actual	Actual	Budget	
Receipts:				
Charges for Services	\$ 236,179	\$ 251,080	\$ 300,000	\$ (48,920)
Interest on Idle Funds	502	684	500	184
Miscellaneous	2,295	320	-	320
Total Receipts	238,976	252,084	\$ 300,500	\$ (48,416)
Expenditures:				
Salaries and Wages	59,394	55,953	\$ 62,500	\$ (6,547)
Employee Benefits	15,638	15,618	18,670	(3,052)
Training, Testing and Fees	591	332	-	332
Operations and Maintenance	17,151	15,271	20,250	(4,979)
Insurance	6,402	6,441	5,110	1,331
Legal and Contract Services	1,140	2,481	-	2,481
Gas Purchase	124,821	121,145	145,000	(23,855)
Capital Outlay	358	-	120,507	(120,507)
Miscellaneous	481	384	-	384
Transfer – Capital Improvements	-	5,000	20,000	(15,000)
Transfer – Equipment Reserve	-	5,000	-	5,000
Total Expenditures	225,976	227,625	\$ 392,037	\$ (164,412)
Receipts Over (Under) Expenditures	13,000	24,459		
Unencumbered Cash, January 1	59,767	72,767		
Unencumbered Cash, December 31	\$ 72,767	\$ 97,226		

City of McLouth, Kansas
 Utility Deposit Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended December 31, 2019

	2018	2019
Receipts:		
Water Deposits	\$ 1,125	\$ 2,775
Sewer Deposits	1,125	2,775
Gas Deposits	150	5,550
	<hr/>	<hr/>
Total Receipts	2,400	11,100
	<hr/>	<hr/>
Expenditures:		
Water Deposit Refund	-	2,775
Sewer Deposit Refund	-	2,775
Gas Deposit Refund	-	5,550
	<hr/>	<hr/>
Total Expenditures	-	11,100
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	2,400	-
Unencumbered Cash, January 1	47,936	50,336
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 50,336	\$ 50,336
	<hr/>	<hr/>